



6450-01-P

DEPARTMENT OF ENERGY

[FE Docket No. 12-32-LNG]

Jordan Cove Energy Project, L.P.: Application to Amend Long-Term, Conditional Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations and to Amend Application for Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of amendment.

SUMMARY: The Office of Fossil Energy (FE) of the Department of Energy (DOE) gives notice of receipt of an application for amendment (Amendment), filed on February 6, 2018, by Jordan Cove Energy Project, L.P. (JCEP or Jordan Cove) of both its Conditional Authorization (DOE/FE Order No. 3413) and pending Application in this proceeding.

Protests, motions to intervene, notices of intervention, and written comments addressing the Amendment are invited as described below.

DATES: Protests, motions to intervene or notices of intervention, as applicable, requests for additional procedures, and written comments are to be filed using procedures detailed in the

Public Comment Procedures section no later than 4:30 p.m., Eastern time, **[INSERT DATE 20 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES:

Electronic Filing by email:
fergas@hq.doe.gov

Regular Mail
U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy

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Hand Delivery or Private Delivery Services (e.g., FedEx, UPS, etc.)

U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy
Forrestal Building, Room 3E-042
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FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION: JCEP's Application, filed on March 23, 2012, seeks authority to export domestically produced liquefied natural gas (LNG) in a volume equivalent to 292 billion cubic feet per year (Bcf/yr) of natural gas (0.8 Bcf per day (Bcf/d)) from the proposed Jordan Cove LNG Terminal to be located on Coos Bay, Oregon, to nations with which the United States does not have a free trade agreement (FTA) requiring national treatment for trade in natural gas (non-FTA nations) (77 FR 33446). On March 24, 2014, DOE issued DOE/FE Order No. 3413, conditionally granting Jordan Cove's Application in the requested volume of 292 Bcf/yr for a term of 20 years (Conditional Non-FTA Authorization).

On October 5, 2015, JCEP filed an amendment to its Application (81 FR 11202), asking DOE/FE to increase its requested non-FTA LNG export volume from the equivalent of 292 Bcf/yr to 350 Bcf/yr of natural gas (0.96 Bcf/d). At that time, JCEP did not seek to amend its Conditional Non-FTA Authorization. DOE/FE has not yet issued a final order on JCEP's Non-FTA Application, and its requested 2015 amendment remains pending as part of the Application proceeding.

In this Amendment, JCEP again seeks to increase its volume of LNG exports—to the equivalent of 395 Bcf/yr (1.08 Bcf/d) of natural gas—as approved in its Conditional Non-FTA Authorization (DOE/FE Order No. 3413) and as requested in its Non-FTA Application. JCEP states that the purpose of this Amendment is to conform its requested export volume to the proposed production capacity of the LNG Terminal in JCEP's current application at the Federal Energy Regulatory Commission (FERC). On September 21, 2017, JCEP filed an application at FERC (FERC Docket No. CP17-495-000) requesting authorization to site, construct, and operate the LNG Terminal with a proposed maximum capacity of 7.8 million metric tons per annum of LNG, equivalent to 395 Bcf/yr of natural gas. JCEP states that this FERC application reflects changes to the production capacity of its proposed facilities at the LNG Terminal, as well as additional engineering analysis. Although JCEP's application at FERC remains pending, JCEP states that it wishes to align its requested export volume with its requested facilities at FERC.

Additionally, JCEP asks that, if and when DOE/FE issues an order granting the requested Amendment to the Conditional Non-FTA Authorization, DOE/FE also amend or "re-set" the dates by which JCEP must commence exports of LNG to non-FTA countries.

Additional details can be found below and in JCEP's Amendment, posted on the DOE/FE website at:

https://fossil.energy.gov/ng_regulation/sites/default/files/programs/gasregulation/authorizations/JCEP_Amendment02_6_18.pdf

Because the Amendment represents a substantive and material change in the Application, DOE has determined to publish this notice in the Federal Register, thereby providing the public with an opportunity to intervene, comment, and/or protest the Amendment. JCEP states that it has served the Amendment on each of the parties that have previously intervened in this proceeding.

Scope of Notice. The Amendment subject to this Notice pertains only to JCEP's Conditional Non-FTA Authorization and Application under section 3(a) of the Natural Gas Act (NGA), 15 U.S.C. 717b(a). In the Amendment, JCEP also seeks to amend its existing FTA authorization issued in DOE/FE Order No. 3041 in FE Docket No. 11-127-LNG (Dec. 7, 2011).¹ However, that requested FTA amendment is outside the scope of this Notice, and DOE/FE will review it separately pursuant to NGA section 3(c), 15 U.S.C. 717b(c). Additionally, in the Amendment, JCEP notifies DOE/FE of a change in corporate ownership.² DOE likewise will review this change in corporate ownership separately, consistent with DOE/FE's normal procedures.³

Request for an Amended Commencement of Export Period. Under the Conditional Non-FTA Authorization (DOE/FE Order No. 3413), JCEP currently must commence exports within seven years of the date of the order, or by March 24, 2021. JCEP states that, as detailed in the FERC application, exports from the proposed LNG Terminal are not expected to commence

¹ Jordan Cove Energy Project L.P., Application to Amend Long-Term Authorizations to Export Liquefied Natural Gas to Free Trade Agreement Countries and Non-Free Trade Agreement Countries and Amendment to Application for Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Countries, FE Docket Nos. 11-127-LNG & 12-32-LNG, at 1-2 (Feb. 6, 2018) [hereinafter JCEP Amendment].

² See *id.* at 4-5.

³ See U.S. Dep't of Energy, Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas, 79 Fed. Reg. 65,541 (Nov. 5, 2014).

until the first half of 2024, which would be beyond the March 24, 2021 date. Therefore, JCEP requests that, in conjunction with the requested Amendment, DOE/FE grant JCEP a new seven-year commencement of export period from the date of any amendment to the Conditional Non-FTA Authorization.⁴

Public Interest Analysis. JCEP asserts that its proposed amendment to the Conditional Non-FTA Authorization (DOE/FE Order No. 3413) and the Application are not inconsistent with the public interest under NGA section 3(a) and should be approved.⁵

Action on Pending Amendments. DOE/FE will review and take appropriate action on any requested amendments to the Application—including the pending 2015 amendment and the Amendment at issue in this Notice—as part of its final review of JCEP’s Application.

DOE/FE Evaluation

The Application will be reviewed pursuant to section 3 of the NGA, 15 U.S.C. § 717b. In reviewing this Application, DOE will consider domestic need for the natural gas, as well as any other issues determined to be appropriate, including whether the arrangement is consistent with DOE’s policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own trade arrangements. Parties that may oppose this application should comment in their responses on these issues.

The National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its NEPA responsibilities.

Public Comment Procedures

⁴ See JCEP Amendment at 5.

⁵ See *id.* at 7-10.

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable. Interested parties will be provided 20 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention.

Comments and protests should address JCEP's Amendment filed on February 6, 2018. The public previously was given an opportunity to intervene in, protest, and comment on JCEP's Application, as well as on JCEP's requested amendment to the Application filed in 2015 (discussed *supra*). Therefore, DOE/FE may disregard comments or protests on the Application that do not bear directly on the current Amendment—namely, JCEP's requested increase in its LNG export volume to 395 Bcf/yr of natural gas (1.08 Bcf/d), for purposes of both its Conditional Non-FTA Authorization and its pending non-FTA Application.

Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR Part 590.

Filings may be submitted using one of the following methods: (1) e-mailing the filing to fergas@hq.doe.gov, with FE Docket No. 12-32-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**; or (3) hand delivering an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in

ADDRESSES. All filings must include a reference to FE Docket No. 12-32-LNG. PLEASE NOTE: If submitting a filing via email, please include all related documents and attachments (e.g., exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

A decisional record on the Application will be developed through responses to this notice by parties, including the parties' written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Opinion and Order may be issued based on the official record, including the Application and responses filed by parties pursuant to this notice, in accordance with 10 CFR 590.316.

The Application is available for inspection and copying in the Office of Regulation and International Engagement docket room, Room 3E-042, 1000 Independence Avenue, S.W., Washington, DC 20585. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. The Application and any filed protests, motions to intervene or notice of interventions, and comments will also be available electronically by going to the following DOE/FE Web address:

<http://www.fe.doe.gov/programs/gasregulation/index.html>.

Issued in Washington, D.C., on April 13, 2018.

Robert Smith,

Deputy Assistant Secretary for Oil and Natural Gas (Acting).

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